

Managing “Status Quo” Hinders Total Quality Progress

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I've seen it happen. A company invests valuable time, training and money to achieve Total Quality. The foundation is set and everyone is enthusiastic – at least in the beginning.

But what happens next? Given equal Total Quality guidance and education, why do some companies continually make giant strides while others are lucky to take a baby step.

The key to success is in the “leadership mentality.” The successful companies embrace the vision of Total Quality. They develop a thorough, demonstrable knowledge of the Total Quality process, and a fundamental understanding of the tools it uses for identifying and resolving problems. Perhaps, most importantly, they did not let the initial enthusiasms die.

There's a clear pattern in the less successful companies: Top managers slip into a “maintenance mode” only managing the status quo and not leading the quality improvement effort. And the initial enthusiasm is sorely lacking.

Management must have a leadership mentality. That means you communicate *daily* in words and actions what you mean by Total Quality. It means you aren't afraid to ask tough questions and then face the answers. It means you recognize the efforts of all involved. And it means you accept – yes, embrace – the process of change in your company's culture, behavior and beliefs.

Acquiring the mindset. The leadership mentality begins with the realization that change is essential for improvement. For this to happen, you must be inspirationally dissatisfied with the status quo. This is usually preceded by an honest appraisal of the fact – both about your company and your competition – that clearly shows that improved quality and reduced waste will increase sales, profits and market share.

Next, the leaders must make and fulfill a commitment to become educated, as a team, in the process of Total Quality. Their instruction will show them the roles and responsibilities they must master to manage the process of continuous quality improvement. For this process to succeed, all must share this leadership understanding.

Most importantly, the leaders must be able to accept facts and be eager to acquire new ways of thinking. They must have the confidence to make the decisions and to take the actions required to achieve Total Quality.

The next steps. As management education progresses, the chief executive and a specially appointed Total Quality steering committee must develop a vision for the organization. Sharing this vision with all employees will help mobilize the organization. It will give purpose and direction to the Total Quality effort – essential factors contributing to its success.

Next, management must identify and measure the true cost of poor quality in the system. All processes and practices involving everything from receipt of raw materials to the shipping of finished goods must be examined. This thorough cost of poor quality analysis will also help to reveal weaknesses as well as strengths in the system.

In addition, a competitive analysis, as well as a benchmarking of the firm against excellent companies who are not competitors, will provide valuable data to further focus the effort. Most importantly, an accurate measure of your customers' perception of your quality must be made. Ask them: “How are we doing?” and “How can we do it better?” The results will lead to the identification of specific missions and objectives to further guide the process.

Creating the environment. At this stage, management must begin to demonstrate its commitment to fulfilling the vision of Total Quality. It begins by challenging all of the past practices, policies, procedures and methodologies, recognizing that the future is not an extension of the past.

The improvements leading to Total Quality begin when managers start to think and act in a process-oriented manner. If they don't, they revert to the old way of running the business. This is what happened to the managers mentioned at the beginning of the article. They were in "maintenance mode" and were not working to improve the system.

Reinforcing this change in thinking should be new ways to measure performance. The emphasis must be on measuring improvements to the process, not results. For example: measuring cycle time reductions versus inventory turns or measuring the number of new supplier partnerships versus the reduction in the number of suppliers.

One aspect of the Total Quality process that cannot be overlooked is the importance of the people involved. Their contributions need to be carefully evaluated and appreciated. An emphasis should be placed on solving cross-functional problems, team-building efforts and team recognition, not on solo firefighting and functional excellence.

In some instances, dramatic changes in the structure and organization of the firm may be necessary to speed the process of Total Quality improvement. For many executives and organizations, these reorganizations are not easy to accept. But, the benefits of achieving Total Quality will make it worth the effort.

Moving ahead. Keeping the process of Total Quality on track and moving ahead requires a considerable management effort. These 12 key guidelines were developed by my friend Ed Turcotte. They can help you acquire and keep a leadership mentality. You should use them to direct your quest for Total Quality.

1. Ensure that your people have time to work on the quality improvement process.
2. Establish new policies, procedures and standards promoting business excellence rather than functional excellence.
3. Eliminate corporate and functional barriers to improvement.
4. Flatten the structure of the organization.
5. Set cross-functional goals.
6. Demand the best possible education and training for all employees.
7. Make human resources a strategic priority.
8. Run the business using a formal system.
9. Demand linear performance.
10. Get to know your employees, customers and suppliers.
11. Review business performance with the management team.
12. Be highly visible in your leadership of the Total Quality process.

Only managers who are leaders, and who embody the leadership mentality, can make Total Quality happen.

Which are you, manager or leader? There is a difference.